

Federation of Small Businesses - West Midlands Policy Unit

Minutes of the West Midlands Policy Unit (WMPU) held on Monday, 22nd February 2010, 11:30am at the Eaton Hotel, Birmingham

Present: David Caro – Chairman (DC)
Iris Nock (IN)
David Dunn (DD)
Jeff Hunt (JH)
Roger Culcheth (RC)
Ken Wigfield (KW)
Ewan Cameron (EC)
John Bates (JB) (Arrived 12:53)

Observers: Denise Craig – Policy Manager, West Midlands (PM) (Away from meeting
between 13:20 and 15:20)

Minute taker: Jess Burke

11:34 Meeting commenced

1. Apologies

Apologies had been received from Peter Silver (PS), Bruce Undy (BU), Carol Undy (CU) and Anthea McIntyre (AI).

2. Minutes of the January 10 Meeting

No amendments to the meeting minutes were required.

The minutes were proposed by DD; Seconded by RC; all in favour.

3. Matters arising

Page 2 – Item 3 – Matters arising - Apprenticeships case studies

The PM reported under 'Chatham House rules' there is a lack of resource behind the both the West Midlands Graduate Internship (WMGI) and the National Graduate Internship scheme, consequently Graduate Advantage is overstretched. Richard Riley (W Mids Higher Education Association) stated that this casts doubt on whether Graduate Advantage can be used as the autonomous deliverer for all schemes. The PM has agreed with Richard Riley to hold back with forwarding emails/work etc. for a one month period to enable the Graduate Advantage Scheme to rectify this issue. John Rider, the PM's counterpart in IoD is also taking a stand back. Publicly the FSB is still strongly supportive of the schemes.

Page 2 – Item 3 – Matters arising – Future Interaction between Coventry and Worcester Universities and the FSB

To date, Coventry University has only matched 10 graduate applications which does not compare favourably with the other universities. The PM stated that this is due to 80% of their time being occupied with problematic administration. The figures have been circulated already and Ian Austin is aware of them. The PM will raise the figures again at the next Regional Minister's meeting on 8th March.

RC stated that the Russell Group of Universities are generally not very committed to the graduate schemes.

Page 2/3 – Item 9 – Matters arising - Policy Priority Reports – Others – Serco

Serco have not responded to contact made by the PM via the telephone nor email. Further contact will not be pursued by the PM.

Page 3/4 – Item 7 - Future WMPU Spending

DD stated that the cheque for £1000 made payable to the Young Enterprise Scheme had yet to be raised. DC confirmed that payment could be made.

DD asked if Business Voice West Midlands (BVWM) could be paid. DC confirmed that payment could be made.

DD stated that if persons are attending meetings on behalf of the WMPU, they are entitled to claim a consultancy fee if agreed before the meeting. Only one person per meeting may claim this fee if they are representing the same area/interests. Travel expenses will be paid to all in attendance.

The PM stated that none of the WMPU committee had been in touch regarding cross-border issues.

RC stated that the Three Counties Show encompasses Gloucestershire and that he has discussed with the South West region the need for more collaborative working. All agreed on the need for this along with an identification of priorities for each APU.

A discussion ensued regarding regional and cross-border relations and APU formation. The PM stated that the Conservatives are talking about changes to the English regions which prompted the following question asked by DC (reference Evolution of the FSB meeting) - 'Are we going to be area changing with each political party or do we define them according to what the FSB require?'

Page 4 – Item 9e – Policy Reports – Sub-National Review/Spatial Strategy/Planning

The PM confirmed that RC had sent details of the Examination in Public housing figures and she agreed to circulate them to the WMPU. The PM stated that she had sent out RC's report on the Regional Spatial Strategy (RSS) on 15th February.

Page 5 – Item 10b – Regional Reports – Shrops, Hfds & Worcs – Committee contact details

The PM confirmed that she had received the contact details.

Page 5 – Item 10c – Regional Reports – Warks & Coventry – Inclusion of Accord table in PMs Report

The PM confirmed that she had done this.

Page 5/6 – Item 11 – AOB – National Policy Briefing Notes

The PM confirmed she had included a current list in her report. DC confirmed he had fed the concerns back to National Policy.

4. General Election Campaign

The manifesto which was informed by headline results from the Annual Survey was launched on the 26th January by Peter Luff at the House of Commons.

The PM stated that Birmingham will be losing an MP (Sparkbrook) bringing the number of Birmingham MPs to 10. Worcester and Coventry will gain an MP. Shropshire, Hereford and Worcestershire have 3 MPs standing down. The PM will be sending a spreadsheet detailing all target seats to ROs in order to establish what is happening.

The PM stated that the London office have provided a huge number of portfolio briefing notes which are proving difficult to regionalise. RC stated that it would be useful if the portfolio chairman had a copy of the briefing notes already so that the portfolio chairman is aware of what is being published on his behalf. DC answered that this should happen between the chairman and relevant national Policy Advisor. Meeting members are to

email the PM if they have not received the FSB General Election Campaign 2010 pack or let DC know requirements for printing.

ALL

RC stated that the manifesto does not signpost small business rates. He will be preparing a bullet pointed list with his Policy Advisor that will be sent to all ROs to ascertain candidate's answers and this list will also be put to all main parties.

DC asked the question 'Do we know what regions are doing or are intending to do from RO feedback?' EC answered that his region is currently arranging a breakfast meeting for all candidates to attend on 26th March. JH answered that his region will be holding a pre-hustings meeting (closed branch event) next Thursday. KW's region is holding an event where each party will be represented by a member to whom questions will be asked. KW is also having lunch with Matthew Harbour, the Conservative MEP, on Friday. The PM is to forward relevant questions to KW for him to raise if possible at the meeting.

PM/KW

The PM requested that WMPU committee members email her with details of what their particular 'patch' is doing. DC added that a general outline of events to do with the General Election is all that is needed as it helps regions share ideas.

ALL

PM – re The Edge video event; views have been reported back to Matt Jaffa. JH stated that this issue was not discussed at the National Council meeting due to lack of time, but it may possibly be an agenda item at the next meeting.

5. ICM Survey – Voice of Small Business Annual Survey & 8. Policy Manager's Report

DC said that the PM had to attend a meeting of the Prime Ministers' Development Unit and asked that she covered her report with the Agenda item 5.

Voice of Small Business Annual Survey - the PM stated that the national report was launched on 1st February 2010. A summary of the headline points have been forwarded to Advantage West Midlands. The full report can be found at www.fsb.org.uk/FSB-ICM-annual-survey and a summary of the key findings is listed in the PM's February report. The PM said that there had been disappointment within the FSB with the number of survey respondents, however, ICM declared the sample size as excellent and larger than any previously recorded sample size for a similar business survey.

Summary of West Midland's results in comparison to the UK average:

Business Confidence Indicators:

- Profitability – below national averages; 2nd worst region in UK
- Sales Volume – below national averages, although in line with the UK figure for a consistent sales volume
- Stability – WM figures were broadly in line with the UK

Finance:

- Broadly in line with national averages

Markets:

- The number of members who trade with the rest of the UK is higher than the national average, as is the number who trade with the private sector
- The number of public sector customers is 5% lower in the region than in the UK

The report shows that the region has higher permanent staffing levels, and employs more temporary workers than the rest of the UK. The PM will investigate this further.

AWM want her to present to the RDA Enterprise Board a snapshot of the report's findings. She is waiting for Dagmar Waller, from the West Midlands Leaders' Board and Lorraine Holmes of Business Link WM to inform the PM of suitable dates for her to present the findings to their organisations.

JH – Andrew Cave – 6,000 strong online members' forum. This is a vital tool in recognition of the FSB, Europe are also interested. The PM stated that the forum is actually being termed as 'Survey Panels'. DC added that panel members will be targeted to form focus groups.

The PM stated that there is an allowance of five regional questions that can be submitted to the national monthly panel survey. The PM voiced concerns over the length of time it takes to receive data for regional questions asked from the London office. The PM also stated that it is difficult to extract locational information from the data supplied. It was agreed generally that the two-way communication channels between London and the West Midlands need improving/streamlining along with increasing awareness in the London office as to the importance and uses of survey information.

The headline notes can be found in the Project Manager's report pages 3-4, which had been circulated prior to the meeting by the PM.

The PM requested a paper from the London Office on Rural Proofing but no paper currently exists. The PM did forward all information she had gathered on the topic (including the RES and RSS) to BU. (Rural Proofing defines the need to ensure that rural localities are not disadvantaged as a consequence of their location when policies are developed region-wide.)

KW stated that he will raise Rural Proofing at the next Rural Affairs and Tourism (RAFT) meeting. KW is writing a paper for RAFT and stated that "We are city centric and a lot of rural areas don't want city policies applied. Each rural region is different, how do we segment them? Urban is a homogenous area whereas rural isn't." All agreed.

RC stated that the Government have issued a paper which embraces the Matthew Taylor report and mentions Rural Proofing. The report expresses that in rural areas, agricultural buildings will be permitted to change their business use offering diversity to small settlements. He also stated that by Rural Proofing he meant public transport, education, health and crime provision ensuring that rural areas are still supported in these areas as well as economically.

KW has followed up with National Fraud Forum Champions. He stated that there was only planned to be one serious meeting. (Champions wanted to use businesses as a sounding board for fraud to produce case studies). KW to go back and define how we can further this relationship.

KW

PM sent WMPA consultation meeting details to IN on 11th January 2010.

The PM mentioned that Mark Reeves, former editor, of the Birmingham Post has launched an online news service, www.businessdesk.com which is a breaking news service for West Midlands news and appears to be ahead of the BBC. The PM asked if the committee were in support of this, and to mention the service to ROs as the service could be used to provide copy for newsletters.

12:53 JB Arrived

13:02 Lunch

13:20 – PM left for a meeting with the Prime Ministers' Development Unit considering Level 3 Apprenticeships.

14:02 meeting resumed

6. Chairman's Report

The Chairman's Report was tabled. The report contained details of environmental issues for information purposes only. Any members wanting further information on these matters should speak to DC about outside of the meeting.

7. Treasurer's Report

Period 2 and 3 accounts were circulated previously by DD. Period 3 saw a surplus fund of £7,937. Period 4 saw a surplus of £8,399.04. All claims made before the deadline have been paid. The relevant section of previous minutes detailing what can be claimed for and how to claim is to be emailed to EC.

The accounts were proposed by KW; seconded by RC; all in favour.

9. Policy Priorities

a. Crime – KW attended the West Midlands Police Authority (WMPA) Business Crime Conference on 14th January 2010 and circulated a report. KW stated that overall the proposed programme was a well intended programme with the WMPA focussing on crimes against business. The message was put across well, to a receptive audience. KW stated that the real task is now conveying this message to the wider business community along with the Retail Crime Action Plan. IK also attended the meeting and concurred with KW.

JB expressed that previously the Police's poor response rate to reported business crimes was the largest complaint business owners had. KW said that during the meeting it had been stated that all reported business crime would now be responded to within 36 hrs.

A fundamental crime fighting tool now available to the retail sector (along with all other public facing sectors e.g. hospitals) is access to details of all known local criminals via a database for a reasonable annual fee (£75 to small business owners).

The PM added that the detailed analysis of business crime being produced by Forensic Pathways Ltd was still delayed (this was originally intended for circulation in October 2009).

JH stated that the WMPA are aiming to reduce their budgetary spend by centralising services and stressed the need to monitor this locally. KW added that the aim is for a 10-20% cut in precept, however, 80% of the budget is allocated to manpower, therefore this reduction aim could pose problems.

A meeting regarding Champions will be held later this month, and detailed in the next report.

KW

b. Manufacturing – Business Voice West Midlands Manufacturing Sub Group have not held any meetings therefore there is nothing to report.

JH mentioned Spiker who are now manufacturing 100 cars per year in Coventry.

DC spoke about the possibility of Europe-wide carbon tax and the concept of 'harmonisation' (or lack of!).

c. Skills – DC said that the PM stated in her report that she had forwarded an email from John Wright to all FSB members on 12th February requesting a show of interest for

the national graduate internships scheme and 16-17 year apprenticeships. There was much interest in the apprentice scheme from SMEs but not in the internship scheme.

e. Sub-National Review/Spatial Strategy/Planning – RC stated that he had spoken to Bob Neill, the vice-chair of the Conservative party who himself holds an interest in planning. The Conservatives have put together a policy on Green Planning but are currently waiting for the right political moment to release it. Bob Neill confirmed that the Conservatives have a commitment to remove planning from the control of RDAs and return it to Local Authorities (LAs) with a strong steer from National Government (see also the Chairman's Report).

Bob Neill also confirmed that the Conservatives desire to abolish the long length of time it takes to assess and progress planning applications i.e. for nuclear power stations and such like. DC added that this will be a national strategic decision and will still be subject to parliamentary vote. Bob Neill also stated that the Conservatives would abolish SNR spatial targets and return to Option 1, LA targets. KW added that locally the RSS will stay strong, albeit having left the national radar.

A conversation then ensued regarding the amalgamation of LAs. It was generally agreed that LAs will amalgamate in the near future. The point was made by JH that this amalgamation must be done carefully as although LAs may be geographically close they can be hugely different in their priorities and aims.

KW introduced the topic of 'Total Place' which is an exercise set up to analyse what benefits/savings(monetary or otherwise) could be made if regions that weren't unitary authorities were to join their services together. RC added that he attended a conference of comprehensive area assessments at the National Audit Commission and the Chair is very much behind 'Total Place'. It was generally agreed that across the board, there is a drive towards joining things together.

DD and RC attended the Black Country Symposium which was essentially a celebration of various councils working together successfully on issues for the past year. The main message to come from this event is that the Black Country is underperforming, in fact actually moving backwards compared to national averages despite various initiatives. This was shown clearly from the results of the RSS Phase 1 Black Country Study.

KW pointed out that the West Midlands as a region is also performing poorly, not just the Black Country. According to the West Midlands Economic Strategy, the deficit against the national figure has increased from £10 to £15 billion. KW stated that as an organisation the FSB should spend more time thinking about how this deficit could be reduced.

A discussion followed identifying how the Black Country situation can be improved for the better. IK stated that the Northern Relief Road (M6 Toll) should just be a free motorway as it handicaps the Black Country (the toll charge discourages drivers to use the M6 Toll and therefore through traffic in the Black Country is greatly reduced due to the congestion on the M6). It was also stated that a Western Relief Road is needed too, then the Black Country would be within a triangular transport infrastructure.

RC raised the point of the requirement to have FSB representation on the Black Country Consortium, this was seconded by DC. RC also said that the consortium required strong and dynamic leadership to drive its agenda forward. He said the Consortium report was more about what happened last year rather forward facing matters. DD is to find out about the structure of the Consortium and report back at the next meeting.

DD

f. Transport – As no meetings have taken place there is nothing to report.

DC raised the issue of the M6 Toll charges. It was agreed by all that this is an issue of great concern. DC stated that the FSB need to work with other organisations, EEF, Chamber etc. to put on a united front against M6 toll charges. It was generally agreed that with the General Election looming this is a good time to raise this issue, although not all agreed that something positive could be achieved.

It was agreed that the PM and BU would make contact with other organisations regarding working together on this issue.

PM/BU

BU has now resigned. All were in favour of co-opting BU until May when the situation is to be reviewed.

g. Others – BU circulated a report detailing the National Policy Meeting held on 26th January 2010 in his absence.

10. Regional Reports

15:20 PM rejoined meeting

a. Staffs & W Mids – DD attended a planning meeting on 9th February 2010 to carve out the way forward for this year and next year, with regard the regional calendar.

- The 29th March will see a meeting with the bankers, followed by a networking event.
- A regional hoard fund application totalling £3000 has been applied for, to hold a full day event at Drayton Manor. The money raised from the rent of business stands and the entrance fee will go to the hoard fund.
- Funding has also been applied for to run a stand at the Taste of Birmingham event.
- Karen Woolley will be providing a General Election Campaign plan later this week.
- IK stated that Pauline Taylor is progressing a survey to obtain/increase the number of member email addresses held to reduce postage costs.
- The Chairperson of BLT branch has met with a new member of Staffordshire Council who is extremely interested in the Accord. An update will be given by the Chairperson this evening at the branch meeting.

b. Shrops, Hfids & Worcs – RC stated that bad weather experienced in the region last week had led to the regional planning meeting being postponed.

This Thursday the regions' branch committee member has been invited to attend a meeting on the Evolution of the FSB.

A funding application is being put together for £6,000 for the Three Counties Show. Gloucestershire have also agreed to help and support. RC stated that it is anticipated over 100 new members will be recruited. KW was in total agreement with this figure and added that BBC coverage will also come from this, and that lunch/dinner invites will be sent to those of interest such as persons from National Policy etc.

c. Warks & Coventry – JB stated that no update had been received from the RO or BU.

- JB stated that a meeting with prospective candidates will be held Friday 26th February and questions which JH has provided will be asked. Two further branches will be holding similar events.
- JH stated that the region has now secured a stand at the Procurex exhibition at the Ricoh Arena to be held in March.
- The region will be awarding a £500 small business award at Warwick Castle.

- KW added that the Business Management Presentation at Worcester University was superb and a complete sell out.

11. AOB

Sietske de Groot (SdG) will be giving a presentation at the meeting in April. The PM has circulated briefing notes sent by SdG. DC requested that all are to familiarise themselves with the notes and have questions formulated and prepared before the meeting.

ALL

The PM stated that the nomination papers for the May WMPU elections will be circulated before the next meeting.

DC/PM

The meeting closed at 15:54.

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